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Associate General Counsel

REDACTED - FOR PUBLIC INSPECTION

Via Courier

June 28, 2012

Ms. Marlene H. Dortch, Secretary Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554

Re: In the Matter of Developing a Unified Intercarrier Compensation Regime; Establishing Just and Reasonable Rates for Local Exchange Carriers; Connect America Fund; High-Cost Universal Service Support; A National Broadband Plan for Our Future, CC Docket No. 01-92, WC Docket Nos. 07-135, 10-90, 05-337, GN Docket No. 09-51 – CenturyLink Submission in Response to 47 C.F.R. § 54.313

Dear Ms. Dortch:

In accord with 47 C.F.R. §§ 54.313(a)(2)-(6) and 54.313(h), CenturyLink hereby encloses information for its 2012 annual reporting requirements as a high-cost recipient in 2011 for

¹ 47 C.F.R. §§ 54.313(a)(2)-(6) and 54.313(h), as attached to the November 18, 2011 *USF/ICC Transformation Order* (Appendix A, Final Rules). *In the Matter of Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing an Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform - Mobility Fund, WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161, 26 FCC Rcd 17663 (rel. Nov. 18, 2011) (USF/ICC Transformation Order), Order Clarifying Rules, 27 FCC Rcd 605 (rel. Feb. 3, 2012) (Clarification Order), Erratum to USF/ICC Transformation Order (rel. Feb. 6, 2012), Application for Review pending, USCC, et al., filed Mar. 5, 2012, Further Clarification Order, DA 12-298, 27 FCC Rcd 2142 (2012), Erratum to Clarification Order (rel. Mar. 30, 2012),*

submission in the above-referenced dockets. These are new federal reporting requirements for CenturyLink's incumbent local exchange carriers which are all state-designated Eligible Telecommunications Carriers (ETCs). Thus, for this 2012 filing CenturyLink is providing 2011 information responsive to the reporting requirements to the extent that CenturyLink collected such information for an annual state ETC filing due in 2012. With that limitation, included is information on the following subjects:

- Detailed information on any outages, as that term is defined in 47 C.F.R. § 4.5, of at least 30 minutes in duration in 2011 for each service area in which CenturyLink is designated an eligible telecommunications carrier for facilities it owns, operates, leases, or otherwise utilizes that affected at least: 10% of end users served in a designated service area, or a 911 special facility as defined in 47 C.F.R. § 4.5(e).
- The number of requests for service from potential customers that went unfulfilled in 2011, and how CenturyLink attempted to provide service to these potential customers.
- The number of complaints per 1,000 connections (fixed or mobile) in 2011.
- Data on voice rates for residential local service, including those rates below the local urban rate floor and the number of lines for each, and associated state regulated fees.

Second Erratum to *USF/ICC Transformation Order*, DA 12-594 (rel. Apr. 16, 2012), *pets. for recon. granted in part and denied in part*, Second Order on Recon., FCC 12-47 (rel. Apr. 25, 2012), Third Order on Recon., FCC 12-52 (rel. May 14, 2012), Erratum to *Second Order on Recon.* (rel. June 1, 2012), *Order Clarifying Rules*, DA 12-870 (rel. June 5, 2012), Erratum to *Order Clarifying Rules* (rel. June 12, 2012), Second Report and Order, FCC 12-70 (rel. June 27, 2012), *pets. for rev. of USF/ICC Transformation Order pending, sub nom. In re: FCC 11-161* (l0th Cir. No. 11-9900, Dec. 16, 2011). *See also* Final Rule; Announcement of Effective Date, WC Docket Nos. 10-90, *et al.*, 77 Fed. Reg. 26987 (May 8, 2012); Public Notice, WC Docket Nos. 10-90, *et al.*, DA 12-729 (May 8, 2012). The May 8th Federal Register publication "notifies [ETCs] and other stakeholders that information filed pursuant to § 54.313(a)(2) through (a)(6) and (h) of the Commission's rules must be filed by July 2, 2012." The May 8th Public Notice contains a similar notification.

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² This is in accord with the *Clarification Order*, 27 FCC Rcd at $608 \ \P 10$.

For each state, CenturyLink also provides a certification that addresses 1) compliance with applicable service quality standards and consumer protection rules; 2) the ability to function in emergency situations as set forth in Section 54.202(a)(2); and 3) compliance with Section 54.313(h) reporting requirements. The certifications by David D. Cole, CenturyLink's Senior Vice President for Operations and Support and Controller, are enclosed for these purposes.

Portions of the CenturyLink submission to the Commission include confidential information that is filed pursuant to the September 16, 2010 Protective Order in CC Docket No. 01-92, WC Docket Nos. 07-135, 10-90, 05-337 and GN Docket No. 09-51. This information is also protected from disclosure to the public by Sections 0.457(d) and 0.459 of the Commission's rules.

The confidential information is of three types: detailed information on outages of at least 30 minutes in duration in 2011 in CenturyLink service areas; information on unfilled service orders by CenturyLink in 2011 and voice rate information identified by lines, exchanges and companies. The non-redacted version of the submission has been marked "CONFIDENTIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER IN CC DOCKET NO. 01-92, WC DOCKET NOS. 05-337, 07-135, 10-90 AND GN DOCKET NO. 09-51 BEFORE THE FEDERAL COMMUNICATIONS COMMISSION – ADDITIONAL COPYING PROHIBITED" (with each page of the files containing confidential information marked

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³ 47 C.F.R. § 54.313(a)(5).

⁴ 47 C.F.R. § 54.313(a)(6).

⁵ The content of these certifications regarding the 47 C.F.R. §§ 54.313(a)(2)-(6) reporting requirements being submitted concurrently as attachments to today's filings with the FCC and USAC are essentially the same as that provided to the state commissions when similar submissions were made in April. At that time, the original certifications were either provided to the state commissions pursuant to their filing requirements, or are currently being maintained in CenturyLink's files.

⁶ 25 FCC Rcd 13160 (2010).

⁷47 C.F.R. §§ 0.457(d), 0.459. CenturyLink also notes Commission recognition in its Federal Register publication of May 8, 2012, *see* note 1, *supra*, that respondent ETCs submitting information pursuant to §§ 54.313(a)(2)-(6) and 54.313(h) "may request materials . . . be withheld from public inspection under 47 CFR 0.459 of the Commission's rules." 77 Fed. Reg. at 26988.

"Confidential"). As such, CenturyLink requests that the non-redacted version of its submission be withheld from public inspection. CenturyLink also requests that no further copies be made of material marked as confidential.

In addition to the above-referenced Protective Order, CenturyLink's confidential information is also protected from disclosure to the public pursuant to Commission rules 47 C.F.R. § 0.457 and 0.459. The confidential information included in these documents is competitively sensitive information and thus should not be available for public inspection, nor subject to further copying. Such information would not ordinarily be made available to the public. Release of the confidential information in the submission would have a substantial negative competitive impact on CenturyLink. Accordingly, the non-redacted information in question is appropriate for non-disclosure under sections 0.457(d) and 0.459. Pursuant to 47 C.F.R. § 0.459(b), CenturyLink provides justification for the confidential treatment of this information in the Appendix to this letter. CenturyLink also notes that under 47 C.F.R. § 4.2, reports with this kind of outage-related information that are submitted to the FCC are "presumed to be confidential".

For the non-redacted version of the submission, CenturyLink is providing to the Office of the Secretary an original hard copy of the cover letter and one Compact Disc (CD), along with an extra copy of the cover letter to be stamped and returned to the courier. In addition, CenturyLink is providing two hard copies of the non-redacted cover letter and two copies of the CD to Lynne Hewitt Engledow of the Pricing Policy Division of the Wireline Competition Bureau. Because it was not feasible to separate out the confidential information, *see* 47 C.F.R. § 0.459(a), without destroying the integrated nature of the information presented in this submission, CenturyLink is also filing today under separate cover, via the Commission's Electronic Comment Filing System (ECFS), a redacted version of its submission. The redacted version is marked "REDACTED – FOR PUBLIC INSPECTION," with the confidential information omitted (with each page of the files where confidential information has been omitted marked "Redacted").

This cover letter includes no confidential information and the text is the same in both the non-redacted and redacted versions except for the confidentiality markings.

Under separate cover, CenturyLink is also simultaneously transmitting the content of this submission (including the confidential information) today to the Universal Service Administrative Company. In its Federal Register publication of May 8, 2012, *see* note 1, *supra*, within the context of respondent ETCs submitting information pursuant to § 54.313(a)(2)-(6), the FCC states that "...USAC... must preserve the confidentiality of all data obtained from respondents; ... must not use the data except for purposes of administering the universal service

support program; and must not disclose data in company-specific form unless directed to do so by the Commission."

Please contact me via the above contact information or Jeff Lanning in CenturyLink's Federal Regulatory Affairs office (202-429-3113) if you have any questions.

Sincerely,

/s/ Tiffany West Smink

Enclosures

cc: Lynne Hewitt Engledow (via courier) (two hard copies of non-redacted submission)

⁸ 77 Fed. Reg. at 26988.

APPENDIX

Confidentiality Justification

CenturyLink requests confidential treatment of certain information enclosed with its 2012 annual reporting requirements as a high-cost recipient in 2011 for submission in CC Docket No. 01-92, WC Docket Nos. 07-135, 10-90, 05-337 and GN Docket No. 09-51. This information, which includes detailed information on outages of at least 30 minutes in duration in 2011 in CenturyLink service areas, information on unfilled service orders by CenturyLink in 2011 and voice rate information identified by lines, exchanges and companies, is competitively sensitive and its disclosure would have a negative competitive impact on CenturyLink. Such information would not ordinarily be made available to the public, and should be afforded confidential treatment under both 47 C.F.R. §§ 0.457 and 0.459. In addition, the confidential information is protected from disclosure under the September 16, 2010 Protective Order in the above-referenced dockets, and CenturyLink also notes that under 47 C.F.R. § 4.2, reports with this kind of outage-related information that are submitted to the FCC are "presumed to be confidential".

47 C.F.R. § 0.457

Specific information in the submission related to outages, unfilled orders and voice rate data is confidential and proprietary to CenturyLink as "commercial or financial information" under section 0.457(d). Disclosure of such information to the public would risk revealing company-sensitive proprietary information and have a harmful competitive effect on CenturyLink's ongoing business enterprise and its operations. Therefore, in the normal course of Commission practice this information should be considered "Records not routinely available for public inspection."

47 C.F.R. § 0.459

Specific information related to outages, unfilled orders and voice rate data is also subject to protection under 47 C.F.R. § 0.459, as demonstrated below.

Information for which confidential treatment is sought

CenturyLink requests that the specific information related to outages, unfilled orders and voice rate data in its submission be treated on a confidential basis under Exemption 4 of the Freedom

⁹ 25 FCC Rcd 13160 (2010).

of Information Act. This information is competitively sensitive data that CenturyLink maintains as confidential and does not normally make available to the public. Release of the information would have a substantial negative competitive impact on CenturyLink. The confidential information contained in the non-redacted version of CenturyLink's submission is marked "CONFIDENTIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER IN CC DOCKET NO. 01-92, WC DOCKET NOS. 05-337, 07-135, 10-90 AND GN DOCKET NO. 09-51 BEFORE THE FEDERAL COMMUNICATIONS COMMISSION – ADDITIONAL COPYING PROHIBITED."

Commission proceeding in which the information was submitted

The information is being submitted in connection with CenturyLink's Submission in Response to 47 C.F.R. § 54.313, as filed in CC Docket No. 01-92, WC Docket Nos. 07-135, 10-90, 05-337 and GN Docket No. 09-51.

Degree to which the information in question is commercial or financial, or contains a trade secret or is privileged

The competitive information designated as confidential in the submission is detailed information on outages of at least 30 minutes in duration in 2011 in CenturyLink service areas, information on unfilled service orders by CenturyLink in 2011 and data on voice rates for residential local service, including those rates below the local urban rate floor and the number of lines for each. As noted above, this data is competitively sensitive information that is not normally released to the public, as such release would have a substantial negative competitive impact on CenturyLink.

<u>Degree to which the information concerns a service that is subject to competition; and manner in</u> which disclosure of the information could result in substantial competitive harm

This type of commercial information would generally not be subject to routine public inspection under the Commission's rules (47 C.F.R. § 0.457(d)), demonstrating that the Commission already anticipates that the release of this kind of information likely would produce competitive harm. Indeed, the Commission has permitted confidential treatment previously of the type of outage related information in question (under 47 C.F.R. § 4.2, reports with this kind of outage-related information that are submitted to the FCC are "presumed to be confidential"). CenturyLink confirms that release of the information designated as confidential in its submission would cause it substantial competitive harm by allowing its competitors to become aware of sensitive proprietary information regarding the operation of CenturyLink's business.

Measures taken by CenturyLink to prevent unauthorized disclosure; and availability of the information to the public and extent of any previous disclosure of the information to third parties

CenturyLink has treated and treats the non-public information disclosed in its submission (in non-redacted form) as confidential and has protected it from public disclosure to parties outside the company.

Justification of the period during which CenturyLink asserts the material should not be available for public disclosure

CenturyLink cannot determine at this time any date on which this information should not be considered confidential or would become stale for purposes of the current matters, except that the information would be handled in conformity with general CenturyLink records retention policies, absent any continuing legal hold on the data.

Other information that CenturyLink believes may be useful in assessing whether its request for confidentiality should be granted

Under applicable Commission and court rulings, the information in question should be withheld from public disclosure. Exemption 4 of the Freedom of Information Act shields information that is (1) commercial or financial in nature; (2) obtained from a person outside government; and (3) privileged or confidential. The information in question satisfies this test.